

# **Fiscal Note**



Fiscal Services Division

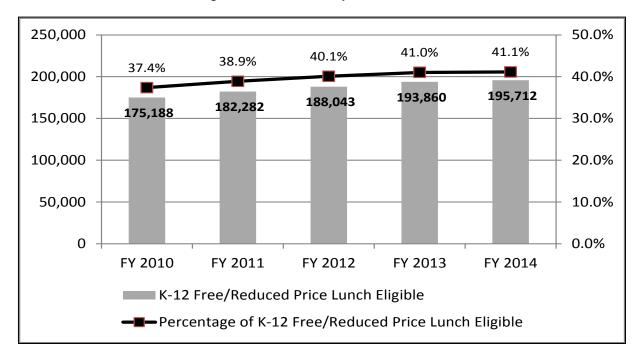
<u>SF 2226</u> – Low Income Program School Aid Supplement (LSB 6034SV) Analyst: Shawn Snyder (Phone: (515) 281-7799) (<u>shawn.snyder@legis.iowa.gov</u>) Fiscal Note Version – New

## **Description**

<u>Senate File 2226</u> creates a Low Income Program school aid supplement that provides additional State school aid for school districts based on the number of students eligible for free and reduced price lunches. Additionally, the Bill requires that the funding generated is entirely State aid and does not include a local property tax provision.

## **Background**

The Bill will require students that are eligible for free and reduced price lunch to receive a weighting of 0.04. Since FY 2010, the number and percentage of eligible public K-12 students has increased each year. The following chart provides the free and reduced price lunch eligible information for FY 2010 through the current fiscal year.



#### **Assumptions**

Assumptions for Senate File 2226 include:

- The number of students eligible for free and reduced price lunches in future fiscal years will be at least at the FY 2014 amount of 195,712.
- This estimate assumes a State cost per pupil of \$6,366 beginning in FY 2016 and future fiscal years. Enactment of a State percent of growth in future fiscal years will increase the estimated cost.

# **Fiscal Impacts**

Beginning in FY 2016, the State General Fund expenditure for school aid will increase by a minimum of \$49.8 million.

## **Sources**

Iowa Department of Education, Free/Reduced Price Lunch file Iowa Department of Management, School aid file LSA analysis and calculations

/s/ Holly M. Lyons
February 25, 2014

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.